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DATE: May 2008
TO: HOME Rental Rehabilitation Program Administrators
FROM: Minnesota Housing HOME Rental Rehabilitation Team
SUBJECT: Program Update

This memo provides important program information. Please review and retain it for your records.
Your organization will be held responsible for knowing its content.

Additional HOME Rental Rehab Funds Available!

We are pleased to announce the availability of an additional \$6 million in HOME Rental Rehab assistance for the 2008 funding round. The application process for your allocated funds (from the original \$5.175 million awarded to the program) will remain the same. Pre-applications are due July 8, and final applications are due September 9.

To apply for funding beyond your allocated funds, submit an application and cost estimate on July 8, and a final application package by October 1. Please inform your regional representative as soon as possible if you are planning to submit applications for the additional funds.

2008 Program Changes Approved- Changes are included in Updated Manuals and Forms on our Website

The 2008 program changes proposed for the HOME Rental Rehabilitation Program were approved by the Minnesota Housing Board of Directors at the March Board Meeting. These changes are outlined in your January 2008 and November 2007 Administrative Updates. They were also reviewed at the HRR Webinar. The Webinar is posted on our website for your reference: <http://www.mnhousing.gov/resources/apply/home/index.aspx>. The changes are also reflected in the 2008 Administrative Procedural Manual and 2008 Owners Manual and in the forms, which are also available on our website (see above link). Be sure to use the updated forms and manuals for all new projects and compliance monitoring.

Energy Audits Required Pre-Construction Only

Beginning with the 2008 funding round, the HOME Rental Rehab program will require energy audits only before (and not after) construction. Post-construction, owners should submit a certification that all measures providing a seven year or less payback are completed. The 2008 Administrative Procedural Manual and 2008 Owners Manual will be updated to reflect this change.

Closing on Construction Loans

Recently, we have noticed a need for clarification on the correct procedures for closing a construction loan. You can help make the closing go smoothly and quickly by following the instructions on the attached documents: "HOME Rental Rehab Program Closing Documentation Requirements" and "HOME Rental Rehab Program Closing Process." Please review these checklists and ensure these processes are followed for all construction loans.

Monitoring

As some of you may have noticed, we have initiated a 'reminder' system to ensure timely submission of monitoring reports. The last week of each month your Regional Representative will send you an email notifying you of the monitoring reports that are due for the following month. We will also be keeping track of developments that are nearing the end their Effective (affordability) Period and checking to make sure that we have documentation evidencing compliance for the entire Effective Period. Satisfactions and/or Releases will not be issued if we cannot evidence compliance.

Minnesota Housing HOME Rental Rehab Program Contact Information

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